




CITY OF WICHITA ECONOMIC DEVELOPMENT



Paragon at Waterwalk by Albert Paley



 **INTRUST Bank Arena**

 **INTRUST Bank Arena**



PROPEL YOUR BUSINESS IN WICHITA

OPPORTUNITY AWAITS

Join the long list of companies that have soared to success in Wichita, Kansas. The City of Wichita and its many community partners are committed to working with businesses to meet their unique needs and to encourage capital investment and job creation in Wichita.

Over the past century, public/private partnerships have helped transform Wichita into a premier Midwestern city. One of Wichita's first known economic development success stories dates back to the early 1870s. James R. Mead, one of Wichita's founding fathers, met a group of cattle drovers at the Kansas/Oklahoma border and offered incentives to encourage them to take their stock to Wichita instead of another nearby city. This economic development offer began the long history of public/private achievements which helped Wichita develop into the largest city in the state and earned it the designation of the "Air Capital of the World."

Wichita continues to build on its rich history and is nationally recognized for its low-cost, pro-business climate, highly desirable central location and status as a top global trade exporter. These qualities, in concert with economic development programs, provide the foundation for businesses to thrive.



Four Time, All-America City Winner

#1 City to Live a Good Life Inexpensively (Forbes Magazine)

Top 10 Best Places to Live (Money Magazine)

Discover Wichita, a community with big city amenities and a small town, friendly atmosphere. Short and easy commutes, low cost of living, exceptional educational opportunities, broad range of arts and cultural attractions, and many entertainment options make Wichita the ideal place to call home.

Wichita's diverse cultural attractions are nationally renowned and rival other metropolitan areas of comparable size. The city offers a professional opera, symphony, ballet and music theater as well as numerous cinematic and performance theaters that stand ready to impress with plays and independent, classic and new films. From traditional to contemporary, the city features a variety of art galleries and world-class museums. Accomplished local musicians and artists entertain and inspire on a monthly basis during the First Friday music crawl and Final Friday art gallery crawl throughout the downtown area.

Outdoor recreational activities abound in Wichita. There are more than 4,300 acres of lush parks & greenways, tranquil botanical gardens, numerous golf courses and more than 60 miles of bike paths. The Arkansas River provides additional recreational opportunities and serves as the centerpiece of the annual Wichita River Festival. It is home to the iconic Keeper of the Plains sculpture, which has become a symbol of Wichita and pays tribute to the Native Americans who first inhabited the area.

Keeper of the Plains
by Blackbear Bosin



DISCOVER WICHITA



Lawrence Dumont Stadium
Home of the Wichita Wingnuts



Final Friday Art Crawl

Wichita attracts approximately six million visitors each year. A variety of retail districts make it a shopper's paradise featuring local boutiques, eclectic shops and lifestyle centers. Wichita is also globally recognized as a top test market in the restaurant industry and can satisfy any appetite with more than 1,000 restaurants.



The Waterfront



DOWNTOWN REVITALIZATION

**Building on 20 years of momentum,
Downtown Wichita continues to evolve
as a dynamic destination.**

Downtown Wichita is flourishing with residential and office space, entertainment, shopping, dining and other attractions. More than \$800 million has been invested in downtown by the public and private sectors resulting in projects such as Old Town, the River Corridor, WaterWalk, Keeper of the Plains and Intrust Bank Arena. These projects have been a spark to further investment in the development of downtown.



Century II Performing Arts & Convention Center



PROJECT DOWNTOWN, adopted by the Wichita City Council in 2010, established the master plan for the next 20 years. This blueprint for public and private sector investment is designed to make the core area a nationally recognized destination. The City of Wichita is a partner with the Wichita Downtown Development Corporation which provides resources, including the Downtown Design and Innovation Center, to those interested in downtown development. Now is the time to join the momentum and become part of downtown's future.

The City of Wichita understands the value of a vibrant downtown and its impact on the economy and the quality of life for the community at large. As a result, the City is an active participant in the revitalization of its older commercial areas. The City offers incentive programs, highlighted in the following pages, which are designed to encourage reinvestment in these areas.

To learn how you can be a part of downtown revitalization efforts and view the master plan, visit:

downtownwichita.org

MANUFACTURING



Wichita's diverse manufacturing base hosts the world's best-known aviation cluster. During 2011, Wichita companies delivered 70% of all general aviation aircraft nationally and 47% globally. Wichita is home to the National Institute for Aviation Research at Wichita State University, the largest aerospace research and development academic institution in the country. In addition, the \$50 million National Center for Aviation Training (pictured left) offers hands-on technical training including composite materials manufacturing and airframe & powerplant mechanics.

HEALTH CARE



Wichita's healthcare industry generates \$6 billion in direct revenue with nearly \$1 billion coming from patients living outside the Wichita Metropolitan Statistical Area (MSA). Health care related businesses employ more than 72,000 people, making it the second largest employment base in the Wichita area.

TECHNOLOGY



Wichita ranks among the top metro areas in the nation in high-tech jobs according to the Bay Area Council Economic Institute. The 2012 report finds almost 15% of jobs in Wichita are considered high-tech. This ranking reflects the development of a technology cluster with companies specializing in information technology, software development, healthcare, composites and medical devices.

ENERGY



The Wichita area has been involved in energy for more than a century and continues to evolve with the growth of alternative energy. Kansas oil and gas production is a \$4.3 billion industry that puts tens of thousands of people to work each day. Kansas is also ranked second in the nation for wind energy potential with more than 1,000 megawatts of wind generating capacity. Wichita's manufacturing base, access to financial and legal services and its transportation network are integral to the success of the state's energy industry.

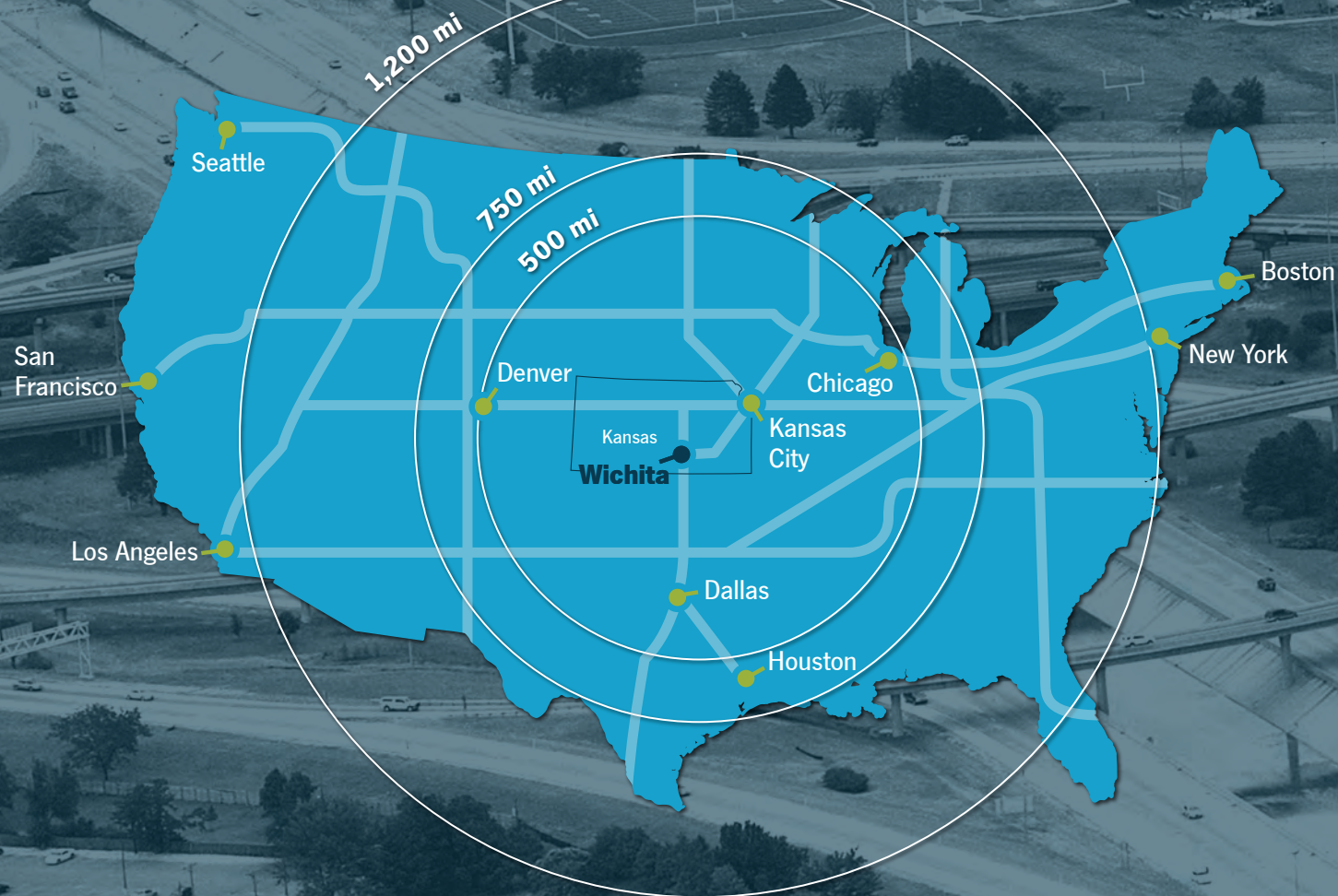
CLOSE TO EVERYTHING

Wichita's central location and outstanding transportation system provide convenient and economical access to markets across the country and internationally.

#1 City in the US for Exports, as a percentage of GDP
(Brookings Institute)

#1 Metro in Aerospace/Defense Manufacturing
(Business Facilities Metro Rankings)

Top 10 Pro-Business State
(Pollina Corporate Real Estate Inc.)



MISSION

The City of Wichita Office of Economic Development offers a variety of incentive programs designed to broaden and diversify the tax base, encourage capital investment, create employment opportunities and promote the economic growth and welfare of the region.

ECONOMIC DEVELOPMENT POLICY

The Wichita City Council has adopted an economic development policy which governs the use of incentives. The policy defines the eligibility criteria, required economic impact and return on investment.

Industry sectors for which incentives may be used include:

Manufacturing

Service Sector

Research and Development

Warehousing and Distribution

Corporate Headquarters

Transportation

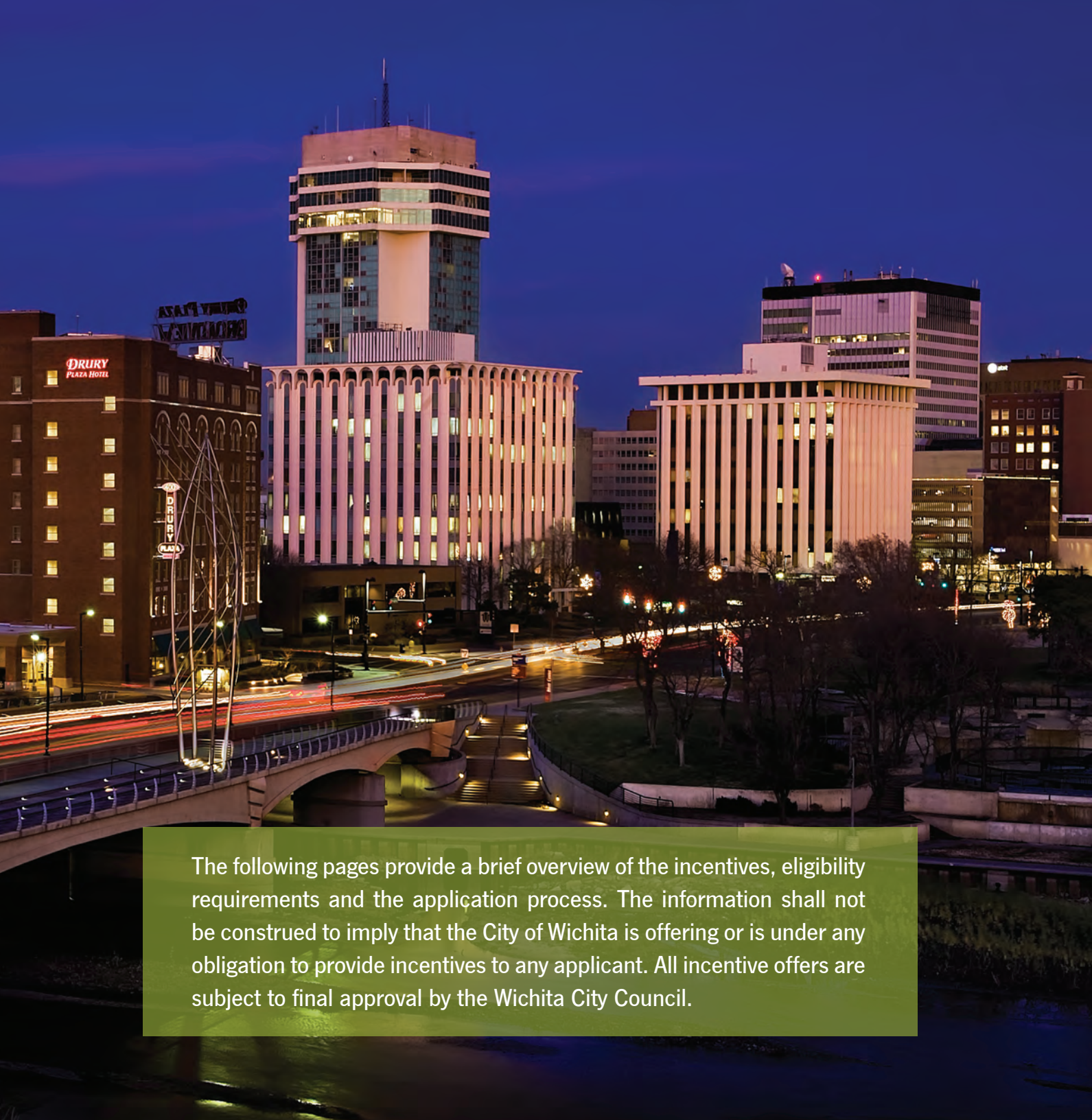
Commercial Redevelopment

Tourism

Affordable Housing

Medical Services





The following pages provide a brief overview of the incentives, eligibility requirements and the application process. The information shall not be construed to imply that the City of Wichita is offering or is under any obligation to provide incentives to any applicant. All incentive offers are subject to final approval by the Wichita City Council.

Industrial Revenue Bond financing provided Spirit AeroSystems the ability to expand and modernize its corporate headquarters, which resulted in the addition of new jobs.





Industrial Revenue Bonds

Industrial Revenue Bonds (IRBs) are utilized to finance the construction or purchase of a facility and/or equipment. IRBs are issued by the City and purchased by investors (e.g. banks, private investors or the company).

BENEFITS

IRBs may provide lower interest rate financing and the possibility of a tax abatement for eligible companies.


ELIGIBILITY REQUIREMENTS

The percentage of taxes abated is based on capital investment and job creation. Majority of goods or services must be destined for customers outside of the Wichita MSA. Company must pay average wages equal to or greater than the industry or Wichita MSA wage rate. City benefit/cost ratio must be at least 1.3 to 1.

NEXT STEPS

Please contact the Office of Economic Development. Before beginning a project, a company must request a non-binding letter of intent from the Wichita City Council. Company works with bond counsel and bond purchaser to finalize documents. Wichita City Council considers approval of the issuance of IRBs.

316 268 4524 | economicdevelopment.wichita.gov



Capps Manufacturing was granted an EDX tax exemption for a new facility on its existing campus which allowed it to diversify its customer base and create new jobs.

Economic Development Exemption

Economic Development Exemptions (EDX) are used to encourage manufacturing, research and development and warehousing/distribution companies to grow in Wichita. Taxes on improvements to land and buildings can be exempted for up to 10 years. All new business machinery and equipment are permanently exempt under state law. The percentage of taxes abated is based on job creation and capital investment.

BENEFITS

EDX can reduce operating costs during the initial 10 years of operation following an expansion.

ELIGIBILITY REQUIREMENTS

Companies must invest in a building expansion project and create full-time jobs. Majority of goods must be destined for customers outside of the Wichita MSA. Company must pay average wages equal to or greater than the industry or Wichita MSA wage rate. City benefit/cost ratio must be at least 1.3 to 1.

NEXT STEPS

Please contact the Office of Economic Development. A company must submit a non-binding letter of intent to the Office of Economic Development before beginning a project, stating the company's intent to apply for EDX. Approval of EDX requires action by the Wichita City Council with final approval by the Kansas Court of Tax Appeals.

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Airbus was granted a forgivable loan to expand its engineering operations, more than doubling its presence in Wichita.

Forgivable Loans & Grants

In order to remain competitive with other locations, forgivable loans and grants are occasionally offered to companies as an incentive to expand or relocate to Wichita.

BENEFITS

Loan proceeds (up to 100%) can be forgiven if capital investment and employment benchmarks are met.

ELIGIBILITY REQUIREMENTS

A portion of the loan may be forgiven based on capital investment and full-time jobs created or retained. Majority of goods or services must be destined for customers outside of the Wichita MSA. Company must pay average wages equal to or greater than the industry or Wichita MSA wage rate. City benefit/cost ratio must be at least 1.3 to 1.

NEXT STEPS

Please contact the Office of Economic Development. The Greater Wichita Economic Development Coalition reviews and recommends loan/grant amount. The Wichita City Council considers approval of the forgivable loan or grant.

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An aerial night photograph of a revitalized urban district. The scene is illuminated by streetlights, building lights, and neon signs. A large, multi-story brick building with a prominent tower and arched windows is the central focus. To its right, a row of smaller, colorful buildings with neon signs, including one that says "OLD CHIC", are visible. A large parking lot filled with cars is situated in the foreground. The background shows a city skyline with various buildings and lights under a dark sky.

Tax Increment Financing was utilized to convert an aging, rundown warehouse district into a vibrant area featuring shops, restaurants and additional parking for Wichita's Old Town District.

Tax Increment Financing

Tax Increment Financing (TIF) districts are used to fund the revitalization of deteriorating or distressed areas. TIF uses the increased property value resulting from redevelopment to help pay the upfront costs of the redevelopment project. The portion of new tax revenue representing the “tax increment” is used to pay for eligible redevelopment costs.

BENEFITS

TIF reduces the higher costs associated with redevelopment of property in blighted areas.

FINANCING

Project costs can be financed through long-term bond financing or on a pay-as-you go basis. TIF funds can only be used to pay eligible costs, including public infrastructure, land acquisition, demolition, utility relocation, streets, sidewalks and parking.

ELIGIBILITY REQUIREMENTS

Areas must be designated as blighted or declining based on state law. Projects must demonstrate a funding gap. Developers must guarantee against shortfall of tax increment needed for bond payment.

NEXT STEPS

Please contact the Office of Economic Development. City staff conducts feasibility analysis based on financial projections from developer. Wichita City Council considers establishment of redevelopment district. Sedgwick County Commission and Board of Education consider approval of the district. Wichita City Council considers approval of the project.

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The City established a CID to assist in the construction of a Cabela's store and to pay for additional infrastructure improvements.

Community Improvement District

Community Improvement Districts (CIDs) allow the governing body to levy additional taxes to fund improvements in the district. The taxes are derived from retail sales taxes or special assessments on real property. CIDs can be used for commercial, industrial or mixed-use projects.

BENEFITS

CID tax revenue can be used to pay for a wide range of capital costs and certain on-going operating costs.

FINANCING

CIDs may impose a retail sales tax of up to 2% or special assessment taxes on real property for up to 22 years. Project costs will be financed on a pay-as-you-go basis (as taxes are collected, the City will reimburse the developer for eligible costs) or with special obligation bonds issued by the City.

ELIGIBILITY REQUIREMENTS

Developer must submit a petition with signatures from all of the property owners in the proposed district. The minimum project size is \$500,000 for pay-as-you-go and \$2,000,000 for bond financed projects. Eligible projects include commercial, retail and industrial uses. Residential projects must either be in a mixed-use project or used for amenities consistent with the Wichita Parks, Recreation and Open Space Plan.

NEXT STEPS

Please contact the Office of Economic Development. Developer submits a petition including a map, project budget and estimated revenue projections. City staff reviews the petition and submits eligible petitions to the Wichita City Council for a public hearing and final consideration.

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BEFORE



GLMV Architecture rehabilitated this historic building in order to consolidate offices into one location. GLMV Architecture utilized the Façade Improvement Program to offset the costs associated with restoring the building's historic features.

Façade Improvement Program

The Façade Improvement Program funds enhancements to building exteriors in downtown Wichita and neighborhood revitalization areas.

BENEFITS

Low-interest rate loan provides owners or tenants with matching funds to help renovate building façades.

FINANCING

The low-interest loan is repaid by special assessment taxes on the building. Grants of up to 25% of the City's match are available for the project if the owner maintains the façade. The maximum grant is \$10,000 for one façade. Grants up to \$30,000 are available for a corner building with two visible façades on street right-of-way. High-rise buildings (more than four stories) or façade projects above \$500,000 are not eligible for the grant portion.


ELIGIBILITY REQUIREMENTS

Any building owner, or tenant with lease authority and approval from the owner, is eligible for the program. The building must be located within the approved areas. Owner or tenants must be current on City fees, taxes or assessments and have not defaulted on any previous City programs. The minimum Façade Improvement project size is \$50,000. The owner must match the City's loan amount.

NEXT STEPS

Please contact the Office of Economic Development. The owner/tenant will submit a Façade Improvement application which includes a project description and cost estimate. The Wichita Historic Preservation Board and Design Council will review the project. The Wichita City Council will consider the project for approval.

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Madison Avenue Housing was developed to provide affordable single family homes in an aging part of the city. The NRA helped reduce the costs associated with constructing the homes.

Neighborhood Revitalization Area Tax Rebate Program

The Neighborhood Revitalization Area Tax Rebate Program provides eligible properties up to a 95% rebate for five years on the increased taxes paid as a result of new construction or rehabilitation within designated areas.

BENEFITS

A rebate of 75-95% of increased City and County taxes paid due to the increased value. Reduces the tax impact associated with increasing the value of the property for five years.


ELIGIBILITY REQUIREMENTS

Minimum investment, as determined by permit value, is \$10,000. Project must be located within Neighborhood Revitalization Area (NRA) (visit the site below for more information). Application must be submitted within 180 days from the start of construction. Single family and historic properties are eligible for 95% rebate; commercial and multi-family properties are eligible for 75% rebate. Property cannot be delinquent on taxes, and property taxes must be paid each year to receive rebate.

NEXT STEPS

Please contact the City Manager's Office at 316-268-4351. Request program brochure for complete details and additional limitations. Owner/tenant submits NRA tax rebate application to City Manager's Office.

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The historic Wichita High School was transformed into the upscale Flats 324 Apartments downtown. The project used the Asbestos and Lead Based Paint Remediation Program to offset the costs.

Asbestos & Lead Based Paint Remediation Program

The Asbestos and Lead Based Paint Remediation Program funds the safe removal of hazardous material from commercial buildings in Wichita.

BENEFITS

Building owners may receive a low-interest rate loan to offset the remediation costs.

FINANCING

Low-interest rate loan is repaid by special assessment taxes on the building over 15 years.

ELIGIBILITY REQUIREMENTS

Any building owner, or tenant with lease authority and approval of the owner, is eligible to apply for this program. Owner and tenant must be current on City fees, taxes or assessments, and have not defaulted on any previous City program. The applicant must match the City's loan amount and provide proof of financial need.

NEXT STEPS

Please contact the Office of Economic Development. The owner/tenant will submit an asbestos and lead based paint remediation application which includes a project description and cost estimate. The Wichita Historic Preservation Board (if the property is within historic environs) and Design Council will review the project. The Wichita City Council will consider the project for approval.

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CITY OF WICHITA ECONOMIC DEVELOPMENT

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Wichita City Hall

Special thanks to Craig Hacker Photography